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## Credentialing for Physician Leaders

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**T**he promotion of high-quality medical care includes the credentialing of practitioners and granting specific privileges to practice medicine in the facilities of a hospital, health system, or accountable care organization. It has been argued that nothing contributes to the quality of care in a hospital as much as effective credentialing. Credentialing is a process to determine whether a practitioner is competent and meets the hospital's high standards of clinical skill and professional conduct. Basically, this means deciding which doctors are qualified to join the medical staff, which procedures each may perform, and which conditions they may treat. It is a responsibility of board members to ensure that the credentialing process is rigorous and that the safety and well-being of patients is the priority.

Credentialing involves the board, the hospital/health system management team, the medical executive committee (MEC), clinical department chairs (if the medical staff has departments), and other medical staff leaders. The board is responsible for oversight of the credentialing process. Specific steps in credentialing fall into the purview of the board, management, or medical staff as follows:

1. Establish appropriate credentialing policies and criteria of membership and privileges (MEC, governing board).
2. Collect and summarize information about applicants for membership and privileges (management, medical staff leaders).
3. Evaluate applicants and recommend membership and privileges (department chairs, credentials committee, MEC).
4. Review, grant, deny, or approve (governing board).

An important component of credentialing involves establishing the organization's criteria to hold particular privileges. These criteria are developed to ensure practitioners have current competence to perform clinical tasks, and they may differ from organization to organization, or be modified from time to time within the organization. Criteria for specific privileges will be recommended by the medical staff but must be approved by the board. Once the criteria are established (and they should be periodically reassessed), the credentialing process ensures that practitioners are only assigned privileges for which they are currently competent and meet the established criteria. Typically, privileging criteria should enumerate the requirements for education, training, and evidence of current competence to perform a specific task or procedure.

Governing boards will sometimes adopt policies to "close" the medical staff in particular specialties. Policies can also be adopted that require applicants to show how they will advance the mission of the hospital. Sometimes boards adopt physician conflict-of-interest policies, which might restrict access to the medical staff under well-defined circumstances.

Medical staff participants in the credentialing process must be educated carefully in best credentialing practices. It is the duty of the MEC to make formal recommendations to the board regarding requests for medical staff membership, the assignment of specific privileges to practitioners, and the appropriateness of any policies and procedures that should be adopted.

The *final* step is the board's review of the MEC's recommendations and its action to grant, deny, or restrict the membership and/or specific privileges being sought. In general, board members will give the greatest scrutiny to the 5 to 10 percent

of practitioners who have some type of unusual event in their past.

Although the board is directly involved in the first and last of these credentialing steps (i.e., setting policies and assigning membership and/or privileges), it has oversight over the entire process and must ensure that all steps are carried out diligently, in compliance with the requirements of medical staff bylaws and policies, and consistent with hospital accreditation requirements.

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Credentialing is a critical board and medical staff responsibility because the practice of medicine by privileged practitioners in the organization has the single greatest impact on the quality of care provided.

### Some Guiding Principles for Credentialing

**Credentialing exists to protect patients.** Do not lose sight of this crucial justification for credentialing. Many interests come into play when deciding whether a practitioner will have access to the hospital and what he or she may do there. These include the business interests of practitioners, the revenue stream practitioners may generate for the hospital, the considerable costs of a thorough credentialing operation, the competitive positions of physicians with each other and with the hospital, the challenges of recruiting an adequate workforce of practitioners, etc. Sometimes one or another of these interests will put pressure on the hospital to short circuit good credentialing practices, but never forget that we undertake rigorous credentialing to protect patients.

**Follow the Five “P”s.** The best way to provide clarity for everyone who is affected by the credentialing process is to have it clearly outlined in appropriate policies. Then, on any issue of contention, adhere to the following mantra: “Our Policy is to follow our Policy. In the absence of a Policy, our Policy is to establish a Policy.”

**Place the burden on the applicant.** The hospital will need a considerable amount of data to complete the application process. The hospital should inform each applicant that it is ultimately the applicant’s responsibility to provide all of the information the hospital requires to reach a decision. Some applicants may be asked to provide more information than others if something in their backgrounds is different from what is typically seen in applications. If an applicant cannot provide the necessary information in a timely fashion, the hospital should stop processing the application.

**Excellent credentialing requires clear criteria, applied consistently.** The board, in consultation with the medical staff, should adopt clear criteria for medical staff membership and for the eligibility to hold specific privileges. This allows everyone to understand what qualifications will be needed to join the staff and/or hold privileges. Applications that don’t meet the adopted criteria should not be accepted or processed.

**Never deny membership or privileges except for demonstrated incompetence or unprofessional conduct.** There are two outcomes of the credentialing process that must be reported to the National Practitioner Data Bank (NPDB). The NPDB is a federal compendium of membership and privilege denials made because an institution has determined that a practitioner is incompetent or has behaved in an unprofessional manner that threatens the well-being of patients. Once a practitioner has been reported to the NPDB, the reporting can have a negative impact on his or her ability to gain privileges elsewhere. Therefore, be careful not to report unless your credentialing investigations have clearly

demonstrated that someone is incompetent or unprofessional.

Remember, if applicants do not meet your criteria to hold membership, do not possess the qualifications you require to hold particular privileges, cannot provide the evidence you require of their current competence, or fall short in resolving any questions your hospital may find important to fully assess their appropriateness for your medical staff, the best response is to *stop processing* their applications. Since they will *not* have demonstrated incompetence (only an inability to meet required qualifications or inability to provide required information), there is no need to formally deny appointment and no need to report to the NPDB.



## Guidelines to Developing Criteria for New Clinical Privileges

1. Establish a consistent method for delineating clinical privileges.
2. Don’t be pressured into granting privileges without first developing criteria.
3. Distinguish between criteria for medical staff membership and criteria to be eligible to request a particular clinical privilege(s).
4. Criteria should be specific to a procedure or clinical condition (or a related group of procedures/conditions). Separate criteria should not be created by each relevant department or specialty. However, training and experience necessary to qualify for the privilege can be different by specialty if approved by the MEC and board.
5. Place the burden on the interested applicant to provide information about required education, training, experience, and evidence of current competence.
6. Develop and follow a consistent process to determine cross-specialty privileging criteria.

## Conclusion

Medical staff and hospital board members should insist on periodic education in the latest and best credentialing practices. Not only is this important to assure high quality care, but failures in credentialing have led to a wave of corporate negligence lawsuits against hospitals and medical staffs nationwide. New medical staff leaders and board members should receive an orientation to the hospital’s policies and procedures on credentialing. Rigor in credentialing activities may sometimes seem burdensome, but doing it right can save an organization from much greater downstream burden.

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